GOVERNMENT OF INDIA
MINES
LOK SABHA

UNSTARRED QUESTION NO:2400
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Promotion of Mining Sector
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Will the Minister of MINES be pleased to state:

(a) the details of explorations made for various mineral reserves and production thereof in the country during each of the last three years and the current year, mineral and State-wise;
(b) whether the Government proposes to revise the Mineral Exploration Policy in the country and if so, the details thereof;
(c) whether the Government also proposes to allow private players both from domestic and international mining arena to actively participate in mineral explorations in the country;
(d) if so, the details thereof, company-wise; and
(e) the other steps taken to be taken by the Government for promotion of mining sector?

Answer

(a): The Geological Survey of India (GSI), an attached office of the Ministry of Mines, carries out regional and detailed mineral exploration programs for both energy and non-energy mineral categories, for establishing mineral resources in the country. Details of the programmes, state-wise and mineral-wise, taken up by GSI during the last three years (Field Seasons 2012-13, 2013-14 & 2014-15) and current year (Field Season 2015-16) are given in Annex-I.

Mineral Exploration Corporation Limited (MECL), a PSU under the Ministry of Mines carries out detailed mineral exploration under a promotional scheme on behalf of the Ministry. The various exploration programs taken up during 2012-13, 2013-14, 2014-15 and the current year are given in Annex-II.

The state-wise and mineral-wise mineral production for the years 2012-13, 2013-14 and 2014-15 (P), as per the information available with the Indian Bureau of Mines, is given in Annex-III.

(b): A National Mineral Exploration Policy [NMEP] is being drafted which would address important issues like: baseline geoscientific data generation and dissemination; prioritization of mineral commodities for regional and detailed exploration; institution to be set up for research in mineral deposit targeting through public and private collaboration; beneficiation of low grade ores for utilization and strategic requirements; incentivizing private sector participation in the given legal framework.

(c) & (d): FDI up to 100% is allowed in exploration, mining, minerals processing and metallurgy under the automatic route for all non-fuel and non-atomic minerals including diamonds and precious stones.

(e): The Mines and Minerals (Development and Regulation) (MMDR) Act 1957, was amended through the MMDR Amendment Ordinance, 2015, which was promulgated on the 12th January, 2015. The MMDR Amendment Act, 2015 to replace the MMDR Amendment Ordinance, 2015 was passed by the Parliament and has come into force with effect from 12th January, 2015.

The most important provision of the MMDR Amendment Act, 2015 is the grant of mineral concessions, for major minerals including iron ore, through auction by competitive bidding which is a transparent and non-discriminatory method and which will also obtain for the State Government its fair share of value of the mineral resources.

The other important provisions of the MMDR Amendment Act, 2015 are:

(i) Transition provisions for extension of existing leases to obviate disruptions in supply of ore and to ensure regular supply of raw material to the industry;
(ii) Establishment of District Mineral Foundation for the interest and benefit of persons, and areas affected by mining related operations;
(iii) Assured tenure and easy transferability of mineral concessions granted through auction;
(iv) Establishment of National Mineral Exploration Trust for regional and detailed exploration; and
(v) Stricter penalty provisions to deter illegal mining.